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November 6, 2006

Control Number ED-OIG/A05G0018

Mr. Michael P. Flanagan
State Superintendent of Public Instruction
Michigan Department of Education
608 W. Allegan Street
P.O. Box 30008
Lansing, MI 48909

Dear Mr. Flanagan:

This **Final Audit Report**, titled *Michigan Schools' Implementation of Schoolwide Plans Under the No Child Left Behind Act of 2001*, presents the results of our audit. Our audit objectives were to determine whether (1) the Michigan Department of Education (MDE) and local educational agencies (LEAs) had adequate processes in place to ensure that schoolwide schools had schoolwide plans that included all required elements and that these schools implemented their schoolwide plans, (2) schoolwide plans for selected schools included all required elements, and (3) the selected schools implemented the elements included in their schoolwide plans. Our audit covered the 2005-06 school year (July 1, 2005, through June 30, 2006).

In its comments to the draft report, MDE concurred with our finding and recommendations. The comments are summarized at the end of the finding. The full text of MDE's comments on the draft report is included as an Attachment to the report.

BACKGROUND

The Elementary and Secondary Education Act of 1965, as amended by the No Child Left Behind Act of 2001 (the Act), allows schools in an area with a poverty level of 40 percent or more, or in which at least 40 percent of enrolled students are from low-income families, to operate schoolwide programs. Schools operating schoolwide programs may use funds from Title I, Part A, along with other federal, state, and local funds, to upgrade the entire educational program in a school in order to improve the academic achievement of all students, particularly the lowest-achieving students.

According to Section 1114(b)(2)(A) of the Act and 34 C.F.R. § 200.27(a)(3),¹ the school must develop a comprehensive schoolwide plan in consultation with the LEA, or another technical assistance provider, and the school community. The comprehensive plan should be based on data from a comprehensive needs assessment or, for schools that have operated schoolwide programs for an extended period of time, based on the state's annual assessments and other indicators of academic achievement. The comprehensive plan must (1) describe how the school will implement the schoolwide program components listed under 34 C.F.R. § 200.28, (2) describe how the school will use resources to implement the schoolwide program components, (3) include a list of state educational agency, LEA, and other federal programs for which the school will consolidate funds to use in its schoolwide program, and (4) describe how the school will provide individual student academic assessment results to parents.

According to 34 C.F.R. § 200.28, a schoolwide program must contain the following components:²

- Schoolwide reform strategies that (1) provide opportunities for students to meet proficient and advanced state achievements standards; (2) use effective methods of instruction that are based on scientifically based research that strengthen the school's core academic program, provide an enriched and accelerated curriculum, increase the amount and quality of learning time, include strategies for meeting the educational needs of historically underserved populations, and are consistent with, and are designed to implement, state and local improvement plans; and (3) include strategies that address the needs of all the students in the school, particularly the needs of the lowest achieving students, and address how the school will determine if such needs have been met.
- Strategies to provide instruction by highly qualified teachers, including strategies to (1) attract highly qualified teachers, (2) provide ongoing professional development for teachers, principals, and paraprofessionals, (3) devote sufficient resources to carry out professional development activities, and (4) include teachers in decisions regarding academic assessments.
- Strategies to involve parents in the planning, review, and improvement of the schoolwide program, including having a parental involvement plan for the school.³
- Activities to ensure that students who experience difficulty reaching proficient or advanced levels on academic assessments are provided with additional support.
- Plans for assisting preschool children in the transition from early childhood programs to the schoolwide program.

¹ All regulatory citations are as of July 1, 2005.

² Section 1114(b)(1) of the Act contains these components.

³ Our review of parental involvement strategies focused only on strategies to involve parents in the planning, review, and improvement of the schoolwide program.

The U.S. Department of Education allocated approximately \$424 million in Title I funds to MDE for the 2005-06 school year. In Michigan, 902 schools in 250 LEAs that received Title I funds operated schoolwide programs during the 2005-06 school year.

AUDIT RESULTS

We found that (1) MDE and the four LEAs we reviewed⁴ generally had adequate processes in place to ensure that schools implemented the elements included in their schoolwide plans but did not ensure that schoolwide plans included all required elements, (2) the four schools we reviewed did not include all required elements in their schoolwide plans, and (3) the four schools we reviewed implemented the elements included in their schoolwide plans.

All four of the schoolwide plans we reviewed included a description of how the school would use resources to implement components in its schoolwide program, schoolwide reform strategies, and strategies to provide additional support to low-achieving students. In addition, the schoolwide plan for the selected school in Grand Rapids included plans for assisting preschool students in the transition from early childhood programs to the schoolwide program.⁵ However, schoolwide plans for all selected schools did not include all required elements.

FINDING – MDE and Selected LEAs Did Not Ensure Schoolwide Plans Included All Required Elements

MDE and the LEAs we reviewed did not ensure that schoolwide plans included all elements required by Section 1114(b)(2)(A) of the Act (See the table on Page 4):

- The selected school at three of the four LEAs we reviewed (Albion, Grand Rapids, and Taylor) had a schoolwide plan that did not include a description of how the school would implement the components listed in 34 C.F.R. § 200.28. Specifically, (1) all three schoolwide plans did not include strategies to provide instruction by highly qualified teachers;⁶ and (2) schoolwide plans for the selected schools in Albion and Taylor did not include strategies to involve parents in the planning, review, and improvement of the schoolwide program.
- The school at each of the four LEAs we reviewed had a schoolwide plan that did not include a description of how the school would provide individual student academic assessment results to the parents of students who participated in academic assessments.

⁴ We reviewed Inkster Public Schools (Inkster), Albion Public Schools (Albion), Grand Rapids Public Schools (Grand Rapids), and Taylor School District (Taylor).

⁵ The school we reviewed in Grand Rapids was the only elementary school we visited. Therefore, it was the only school required to include plans for assisting preschool students in the transition from early childhood programs to the schoolwide program.

⁶ In each case where a school failed to meet this requirement, the deficiency was that it did not have in its schoolwide plan a strategy to attract highly qualified teachers, which is required by Section 1114(b)(1)(E) of the Act and 34 C.F.R. § 200.28(b)(1).

Schoolwide Plan Elements Included in Each Schoolwide Plan				
Required Element (See BACKGROUND Section)	Inkster LEA- Inkster High School	Albion LEA- Washington Gardner Middle School	Grand Rapids LEA-Campus Elementary School	Taylor LEA- Charles E. Brake Middle School
1) Components Listed Under 34 C.F.R. § 200.28:				
Schoolwide Reform Strategies	Yes	Yes	Yes	Yes
Instruction by Highly Qualified Teachers	Yes	No	No	No
Parental Involvement in Program Planning, Review, and Improvement	Yes	No	Yes	No
Additional Support	Yes	Yes	Yes	Yes
Transition For Preschool Students	NA	NA	Yes	NA
2) Resources to Implement Components	Yes	Yes	Yes	Yes
3) Consolidating Program Funds	NA ⁷	NA ⁷	NA ⁷	NA ⁷
4) Providing Academic Assessment Results to Parents	No	No	No	No

Though the selected schools did not include all required elements in their schoolwide plans, we concluded that the LEAs generally had processes in place that ensured that the objectives referred to by most of the required elements were carried out by each selected school. In addition to implementing all elements included in their schoolwide plans, schools also implemented some elements not included in their schoolwide plans. Specifically, (1) all selected schools provided parents with individual student academic assessment results and (2) the selected school in Taylor implemented strategies to provide instruction by highly qualified teachers and involved parents in the planning, review, and improvement of the schoolwide program.

According to Section 1114(b)(1) of the Act and 34 C.F.R. § 200.28, a schoolwide plan must include, among other things, strategies to provide instruction by highly qualified teachers and strategies to involve parents in the planning, review, and improvement of the schoolwide plan. In addition, Section 1114(b)(2)(A)(iv) of the Act and 34 C.F.R. § 200.28(c)(2)(ii) require a schoolwide plan to describe how a school will provide individual student academic assessment results to parents.

MDE relied primarily on LEAs to monitor schoolwide plans to ensure that they included all required elements because it generally did not receive or review schoolwide plans⁸ and conducted only a limited number of on-site reviews. However, MDE did not (1) provide specific

⁷ A school is required to list the program funds it will consolidate in the schoolwide program only if it chooses to consolidate funds. Because the school did not consolidate funds, this element was not applicable.

⁸ MDE received the school improvement plans for schools identified for school improvement, corrective action, or restructuring, but did not review these plans to ensure they included all required elements of a schoolwide program. MDE required these schools to have one school plan that included the required schoolwide plan elements.

guidance to LEAs on how to monitor schoolwide plans or (2) review LEAs' policies and procedures for monitoring the required elements of their schoolwide plans. At the time of our fieldwork, MDE had conducted site reviews at only eight LEAs during the 2005-06 school year. Though MDE reviewed schoolwide plans during the site reviews, it only reviewed the schoolwide plans for inclusion of the first element in the above table. It did not review the schoolwide plans for inclusion of the other three elements. Not ensuring that schoolwide plans include all required elements could potentially lead to decreased implementation of required schoolwide plan elements and schoolwide plans that are less likely to improve the academic achievement of all students.

Recommendations

We recommend that the Assistant Secretary for Elementary and Secondary Education require MDE to:

- 1.1 Ensure that all four schools we reviewed revise their schoolwide plans to include all required elements.
- 1.2 Improve its monitoring process by (1) reviewing, during its site visits to LEAs, all elements of the LEAs' schoolwide plans to determine whether (a) each LEA's policies and procedures ensure that schoolwide plans include all the required elements, and (b) those policies and procedures are being implemented; and (2) developing and implementing an annual desk review schedule of schoolwide plans for schools selected by MDE to determine whether they include all required elements. As part of its site visits and desk reviews, MDE should also review plans for inclusion of the school improvement plan components required by Section 1116(b)(3)(A) of the Act.⁹
- 1.3 Provide guidance to all LEAs in Michigan on how to monitor schoolwide plans for inclusion and proper implementation of all required elements.

Auditee Comments

MDE concurred with our finding and recommendations. In response to our recommendations, MDE stated the following:

- It will visit each of the four LEAs visited during the audit to ensure that schoolwide plans include all required components.
- It will develop and implement a comprehensive plan for planning, implementing, and annually reviewing schoolwide plans by (1) using a revised on-site review document that includes all required components, (2) determining whether evaluation procedures are in place

⁹ Review of school improvement plan components was not within the scope of our audit, so we did not determine whether the school plans included all required school improvement components. However, because MDE requires schools to have one plan that includes both school improvement and schoolwide components, MDE should review plans for both sets of required components during its review process.

to ensure that schoolwide plans are current and being implemented, and (3) conducting desk reviews, beginning in the fall of 2007, of 25 percent of the schoolwide schools in the state.

- It will provide guidance to LEAs on how to monitor schoolwide plans by (1) providing training for facilitators for the schoolwide year of planning, (2) developing a comprehensive set of materials for LEAs to use during the annual review of their schoolwide plans, and (3) conducting a mandatory technical assistance workshop for existing schoolwide schools on required plan components and timeframes for plan review and revision.

OBJECTIVES, SCOPE, AND METHODOLOGY

Our audit objectives were to determine whether (1) MDE and LEAs had adequate processes in place to ensure that schoolwide schools had schoolwide plans that included all required elements and that these schools implemented their schoolwide plans, (2) schoolwide plans for selected schools included all required elements, and (3) the selected schools implemented the elements included in their schoolwide plans. Our audit covered the 2005-06 school year (July 1, 2005, through June 30, 2006).

To achieve our objectives, we interviewed officials and reviewed documents from MDE and the four LEAs and schools we reviewed. For MDE, we (1) gained an understanding of policies and procedures for ensuring that schoolwide plans included all required elements and were being implemented and (2) reviewed guidance it provided to LEAs and schools regarding schoolwide plans. For each LEA selected, we gained an understanding of how the LEA (1) helped its schools develop and implement schoolwide plans and (2) monitored and evaluated schoolwide plans. The documents we reviewed included:

1. MDE's organizational chart;
2. Prior audit reports, including MDE's Single Audit Act report, *Financial Audit Including the Provisions of the Single Audit Act of the Department of Education*, for the period October 1, 2001, through September 30, 2003;
3. Guidance MDE provided to LEAs regarding schoolwide programs, including its *Managing Schoolwide Programs* packet;
4. Documentation related to MDE's monitoring reviews of LEAs and schools, including its *On Site Review District Study Guide*, *On Site Review Building Study Guide*, and on-site monitoring reports;
5. Schoolwide plans for each selected school for inclusion of the required elements listed in Section 1114(b)(2)(A) of the Act and 34 C.F.R. § 200.27(a)(3), including the components listed in 34 C.F.R. § 200.28; and
6. Documentation for each selected school related to the implementation of required schoolwide plan elements.

We selected LEAs and schools to visit. We identified the universe of LEAs in Michigan that had at least one school (1) identified for improvement or otherwise showing weak academic results

for both the 2004-05 and 2005-06 school years and (2) that operated a schoolwide program during both the 2004-05 and 2005-06 school years. By including only those schools that operated schoolwide programs during both of these school years, we ensured that our review included only schools that had schoolwide programs at the time of our review and had completed one full year of their schoolwide programs. From this universe of 26 LEAs, we judgmentally selected 4 LEAs based on Title I allocations. We selected one large LEA (Grand Rapids), two medium LEAs (Inkster and Taylor), and one small LEA (Albion). For each of these four LEAs, we selected one school meeting requirements (1) and (2) above, ensuring that we selected at least one elementary, middle, and high school. For Grand Rapids, Inkster, Taylor, and Albion, we selected Campus Elementary School, Inkster High School, Charles E. Brake Middle School, and Washington Gardner Middle School, respectively.¹⁰

We performed our fieldwork at the offices of MDE in Lansing, Michigan; the four selected LEAs and schools in Michigan; and our offices in Chicago, Illinois, and Kansas City, Missouri. We discussed the results of our audit with MDE officials on August 17, 2006. We did not use computer-processed data to achieve our audit objectives. Our audit was performed in accordance with generally accepted government auditing standards appropriate to the scope of review described above.

ADMINISTRATIVE MATTERS

Statements that managerial practices need improvements, as well as other conclusions and recommendations in this report, represent the opinions of the Office of Inspector General. Determinations of corrective action to be taken will be made by the appropriate Department of Education officials.

If you have any additional comments or information that you believe may have a bearing on the resolution of this audit, you should send them directly to the following Education Department official, who will consider them before taking final Departmental action on this audit:

Henry Johnson
Assistant Secretary
U.S. Department of Education
Office of Elementary and Secondary Education
400 Maryland Avenue, SW
Washington, D.C. 20202

It is the policy of the U.S. Department of Education to expedite the resolution of audits by initiating timely action on the findings and recommendations contained therein. Therefore, receipt of your comments within 30 days would be appreciated.

¹⁰ To fit the criteria identified above, we judgmentally selected one of five schools in Grand Rapids and randomly selected one of two schools in Taylor. Inkster and Albion only had one school that fit our criteria.

In accordance with the Freedom of Information Act (5 U.S.C. § 552), reports issued by the Office of Inspector General are available to members of the press and general public to the extent information contained therein is not subject to exemptions in the Act.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard J. Dowd", with a large, stylized flourish extending to the right.

Richard J. Dowd
Regional Inspector General
for Audit

Attachment

ATTACHMENT: MDE Comments to the Draft Report

The following three pages are MDE's comments to the draft report. The final report finding was unchanged. However, we combined Recommendation 1.4 with Recommendation 1.2 in the final report.

STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSINGJENNIFER M. GRANHOLM
GOVERNORMICHAEL P. FLANAGAN
SUPERINTENDENT OF
PUBLIC INSTRUCTION

September 20, 2006

Mr. Richard J. Dowd
Regional Inspector General for Audits
111 North Canal Street, Suite 940
Chicago, IL 60606-7297

Dear Mr. Dowd:

The Michigan Department of Education acknowledges receipt of the draft audit report, *Michigan Schools' Implementation of Schoolwide Plans Under the No Child Left Behind Act of 2001*, received August 29, 2006. The staff in the Office of School Improvement, Field Services Unit, has prepared the response to the findings and recommendations included in this report.

The audit of Title I schoolwide plans, and the process for the development and implementation of the plans, provided valuable information for review and improvement of existing procedures within the state. The implementation of these changes is already underway, and we anticipate that the recommendations will improve the quality of these programs in the schools in Michigan.

The staff would like to extend their appreciation to William Bennett and Kathryn Carey who worked on this project for their consistent effort to assist Michigan with the audit content and review.

If there are any additional questions or information needed for this audit document, please feel free to advise us so that we can address those issues appropriately. The Field Services Unit may be contacted at 517-373-4588 for any additional questions.

Sincerely,

/s/

Michael P. Flanagan
Superintendent of Public Instruction

Attachment

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Control Number: ED-OIG/A05G0018

Subject: Audit of Michigan Schools' Implementation of Schoolwide Plans Under the No Child Left Behind Act of 2001

Date: August 24, 2006

The Michigan Department of Education accepts the findings of *Michigan Schools' Implementation of Schoolwide Plans Under the No Child Left Behind Act of 2001* as reported by the Office of the Inspector General, August 24, 2006. The Department plans to initiate the following corrective actions in response to the specific findings from this audit.

Finding – MDE and selected LEAs did not ensure schoolwide plans included all required elements

- The Field Services Unit will create comprehensive tools to assist schools with development of schoolwide plans, including all required elements.
- Technical assistance materials and workshops will be conducted in the spring for all existing schoolwide building school improvement teams.
- All facilitators for the schoolwide year of planning will participate in training to ensure that all new schools include all required components in the development of their plan.

In response to the recommendations, the Michigan Department of Education has discussed ways to implement these recommendations beginning this fall. The Field Services staff, of the Office of School Improvement, has already developed specific materials to address some of the areas identified in the recommendations. The Field Services Unit is also revising the procedures to provide technical assistance to districts with schoolwide programs and to increase the quality of the assistance given during the year of planning to become a schoolwide school.

Recommendations

The Michigan Department of Education appreciates the scope of the recommendations and their intent to improve the quality of schoolwide programs within the state. The staff will take the following actions to implement the recommendations beginning immediately.

1.1 Ensure that all four schools we reviewed revise their schoolwide plans to include all required elements;

- The Office of School Improvement, Field Services Staff, will visit each of the four school districts visited during the audit. Staff will review the revised school improvement plan ensuring that all components are now included. This review will be completed by November 30, 2006.

1.2 Develop and implement an annual desk review schedule of schoolwide plans for schools selected by MDE to determine whether they include all required elements;

- This recommendation, in connection with recommendation 1.3, will help Field Services staff develop and implement a comprehensive process for planning, implementation, and annual review of schoolwide plans. The desk audits will

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begin as part of this comprehensive strategy in the fall of 2007-08. In preparation for the desk audits, technical assistance materials will be developed and presentations conducted to ensure all districts with schoolwide buildings are aware of requirements related to this program.

- In 2007-08, Field Services staff will begin annual reviews of schoolwide plans through a desk audit process. Staff will review schools identified for improvement that are schoolwide, along with a random sample of other existing schoolwide programs, to equal 25% of the total schoolwide buildings in the state. It is anticipated that the fall of 2007-08 will parallel the implementation of a statewide school improvement planning template. This template will be used by all schools and districts in the state. It will have a strand that will include all required components of the Title I schoolwide and targeted assistance plans. With this implementation, it will be possible for consultants to electronically review the detail submitted in the plans. The system will include an error-checking function that will not allow submission of a school plan that does not include all required components. The desk audits then will be part of a comprehensive school improvement planning process aligned to the School Improvement Framework which will allow the work of the Field Services Unit to focus on technical assistance provided to schoolwide buildings.

1.3 Provide guidance to all LEAs in Michigan on how to monitor schoolwide plans for all required elements; and

- The plan to increase monitoring of schoolwide plans includes a three-fold approach. Beginning the spring 2007, all facilitators for the schoolwide year of planning will participate in a two-day training conducted by Field Services consultants and partner educators from Michigan's intermediate school districts. This training will review all mandated components of a schoolwide plan and processes for effective planning strategies. The second component is the development of a comprehensive set of materials for use by districts for annual review of their schoolwide plan. The third component will be a mandatory technical assistance workshop for all existing schoolwide school improvement planning teams. This workshop will review the mandatory components and establish a plan review and revision timeframe for all existing schoolwide programs.

1.4 Review, during its site visits to LEAs, all elements of the LEAs' schoolwide plans to determine whether (a) each LEA's policies and procedures ensure that schoolwide plans include all the required elements, and (b) those policies and procedures are being implemented.

- The Field Services Unit, Office of School Improvement, revised the On Site Review document immediately after the visit of the auditing team. All required components of the schoolwide plan have been added to the On Site Review document. The On Site Review requires that specific documentation be submitted to the Department three weeks prior to the visit by the On Site Review team. The team interviews the school improvement committee and determines the level of implementation for the plan at each On Site. Specific attention will be given to the ongoing evaluation components of the plan to ensure that all schoolwide plans are current and being implemented.

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